Distr.
GENERAL

IDB.9/SR.9
3 June 1992

United Nations Industrial Development Organization

ORIGINAL: ENGLISH

Industrial Development Board

Ninth session

SUMMARY RECORD OF THE 9th MEETING

Held at the Vienna International Centre, Vienna,
on Friday, 22 May 1992, at 3 p.m.

President: Mr. CSERVENY (Hungary)

CONTENTS

Agenda item		Paragraphs
-	Introduction of draft decisions	1 - 2
4	UNIDO policies, UNIDO energy programme (continued)	3 - 5
5	Annual report of the Director-General for 1991 on the activities of the Organization (continued)	6 - 17
6	UNIDO technical cooperation activities in 1991 (continued)	18 - 19
7	Economic cooperation among developing countries (continued)	20 - 21
8	System of Consultations (continued)	22 - 23
9	Development and transfer of technology (continued)	24 - 25
10	Industrial investment promotion (continued)	26 - 27
11	UNIDO Country Director programme (continued)	28 - 29
12	Financial situation of UNIDO (continued)	30 - 32
13	Conduct of business and rationalization of proceedings (continued)	33 - 34
14	Electronic data-processing programme (continued)	35
15	Venue of the fifth session of the General Conference (continued)	36 - 39
16	Structure of world industrialization from the long-term perspective (continued)	40 - 44
19	Provisional agenda and date of the tenth session	45 - 46
20	Adoption of the report of the ninth session	47 - 52
21	Closure of the ninth session	53 - 55

This record is subject to correction.

Corrections should be submitted in one of the working languages, set forth in a memorandum and/or incorporated in a copy of the record. They should be sent to the Head, Translation Service, room D0748.

In accordance with the rules of procedure of the Board, corrections may be submitted within seven days of the receipt of the record or of the closure of the session, whichever is later. Any corrections to the records of the meetings of this session will be consolidated in a single corrigendum, to be issued shortly after the end of the session.

V.92 54975 3164E

Distr.: 5 June 1992

The meeting was called to order at 3.20 p.m.

INTRODUCTION OF DRAFT DECISIONS

1. The PRESIDENT said that agenda items 4-16 were still open for possible adoption of decisions. He would now ask the Board to consider draft decisions on those items which had been the subject of discussion in informal consultations. The drafts distributed were reproduced in documents IDB.9/L.1-2, IDB.9/L.4-13 and IDB.9/L.15-16.

2. Mrs. MACHADO QUINTELLA (Brazil), speaking as chairman of the informal consultations established with a view to facilitating the drafting of decisions, informed the Board that consensus had been reached on 15 draft decisions. One of the draft decisions on agenda item 5 (IDP.9/L.9) had not secured a consensus. Three drafts originally submitted to the consultations (one on item 6 and two on item 16) had subsequently been withdrawn. Concerning the draft decision on agenda item 7 (IDB.9/L.5), a consensus had also been reached that the following paragraph should be added to the draft at present before the Board:

> "Notes that the in-depth evaluation of the ECDC/TCDC activities of UNIDO requested by the Board in its decision IDB.5/Dec.12 was completed by the Secretariat;".

On item 11, it had been agreed to recommend to the Board that it take note of document IDB.9/8 and refer it to the Programme and Budget Committee at its eighth session for consideration.

UNIDO POLICIES, UNIDO ENERGY PROGRAMME (continued) (IDB.9/9; IDB.9/L.2, L.16)

3. The PRESIDENT drew the Board's attention to two draft decisions on item 4: draft decision IDB.9/L.2 on UNIDO policies, and draft decision IDB.9/L.16 on the UNIDO energy programme.

4. Draft decision IDB.9/L.2 was adopted.

5. Draft decision IDB.9/L.16 was adopted.

ANNUAL REPORT OF THE DIRECTOR-GENERAL FOR 1991 ON THE ACTIVITIES OF THE ORGANIZATION (continued) (IDB.9/10 and Corr.1 and Add.1 and 2; IDB.9/CRP.3; IDB.9/L.1, L.6, L.9)

6. The PRESIDENT drew the Board's attention to two draft decisions on item 5: draft decision IDB.9/L.1 on the annual report of the Director-General for 1991 on the activities of the Organization as a whole, and draft decision IDB.9/L.6 on the Special Programme for the Industrial Development of Asia and the Pacific.

7. Draft decision IDB.9/L.1 was adopted.

8. Draft decision IDB.9/L.6 was adopted.

9. The PRESIDENT drew the Board's attention to a further draft decision on item 5 concerning technical assistance to the Palestinian people, submitted by the countries of the Group of 77 (IDB.9/L.9).

10. Ms. BECKER (United States of America) said that her delegation opposed the draft decision and would request a vote on it by show of hands. It could not agree that UNIDO or any other international organization should give assistance to the Palestinian people "in close cooperation with the Palestine Liberation Organization", as the text put it. Her country did, however, give generous assistance to the Palestinian people through the United Nations Relief and Works Agency for Palestinian Refugees in the Near East (UNRWA) and through a direct assistance programme amounting to $12 million in 1992 for the West Bank and Gaza Strip. Her Government had just contributed an additional $20 million to UNRWA. While it approved the idea that the Palestinian people should receive technical assistance within the scope of UNIDO's mandate, it strongly believed that UNIDO should not involve itself in political considerations such as those underlying draft decision IDB.9/L.9.

11. At the request of the representative of Sudan, a vote was taken by roll-call on draft decision IDB.9/L.9.

12. Romania, having been drawn by lot by the President, was called upon to vote first.

In favour: Romania, Russian Federation, Saudi Arabia, Senegal, Spain, Sudan, Switzerland, Syrian Arab Republic, Thailand, Trinidad and Tobago, Tunisia, Turkey, United Kingdom of Great Britain and Northern Ireland, Venezuela, Zimbabwe, Austria, Belarus, Belgium, Bolivia, Brazil, Cameroon, Chile, China, Cuba, Czechoslovakia, Egypt, Ethiopia, Finland, Germany, Ghana, Greece, Hungary, India, Indonesia, Iran, Islamic Republic of, Iraq, Italy, Japan, Kuwait, Mexico, Morocco, Netherlands, Nigeria, Norway, Pakistan, Republic of Korea.

Against: United States of America.

Abstaining: None.

13. Draft decision IDB.9/L.9 was adopted by 46 votes to 1.

14. Mr. CLARK (United Kingdom), supported by Mr. PLUG (Netherlands), Mr. TSOUNIS (Greece) and Mr. SCHAAD (Germany), speaking in explanation of their votes, said that his Government supported the request for increased assistance by UNIDO to the Palestinian people, but considered that wording of a political nature or a reference to a political problem should not appear in a decision taken by a technical organization such as UNIDO.

15. Mr. EL-HUSSEIN (Sudan), speaking on behalf of the countries of the Group of 77, expressed their appreciation for the overwhelming support which the Board had shown for the decision on technical assistance to the Palestinian people.

16. Mr. MASSOUD (Observer for Palestine) thanked all the countries which had supported the decision regarding the provision of technical assistance to the Palestinian people and hoped that the next time the decision would be taken by consensus.

17. Mr. ASHRI (Saudi Arabia) regretted that such a decision should have been put to a vote, when the Palestinian people were in urgent need of technical assistance. His delegation hoped that a consensus would be reached the next time.

UNIDO TECHNICAL COOPERATION ACTIVITIES IN 1991 (continued) (IDB.9/3, IDB.9/10 and Corr.1 and Add.1 and 2; IDB.9/CRP.1; IDB.9/L.8)

18. The PRESIDENT drew the Board's attention to draft decision IDB.9/L.8.

19. The draft decision was adopted.

ECONOMIC COOPERATION AMONG DEVELOPING COUNTRIES (continued) (IDB.9/11; IDB.9/CRP.6; IDB.9/L.5)

20. The PRESIDENT drew the Board's attention to draft decision IDB.9/L.5 on economic and technical cooperation among developing countries, as revised orally by the chairman of the informal consultations.

21. The draft decision, as revised, was adopted.

SYSTEM OF CONSULTATIONS (continued) (IDB.9/2 and Corr.1, IDB.9/10, chap. III, paras. 1-13, IDB.9/14, IDB.9/15; ID/378, ID/379, ID/380; IDB.9/L.7)

22. The PRESIDENT drew the Board's attention to draft decision IDB.9/L.7.

23. The draft decision was adopted.

DEVELOPMENT AND TRANSFER OF TECHNOLOGY (continued) (IDB.9/6, IDB.9/10, chap. III, paras. 14-33; IDB.9/L.4)

24. The PRESIDENT drew the Board's attention to draft decision IDB.9/L.4.

25. The draft decision was adopted.

INDUSTRIAL INVESTMENT PROMOTION (continued) (IDB.9/7, IDB.9/10, chap. III, paras. 34-44; IDB.9/L.15)

26. The PRESIDENT drew the Board's attention to draft decision IDB.9/L.15. The words "agenda item 15" should be corrected to read "agenda item 10" and the word "multilateral" should be deleted from paragraph (d)(iii).

27. The draft decision, as corrected, was adopted.

UNIDO COUNTRY DIRECTOR PROGRAMME (continued) (IDB.9/8)

28. The PRESIDENT invited the Board to consider the following draft decision suggested by the chairman of the informal consultations on the recommendation of the delegations which had participated in them:

> "The Industrial Development Board takes note of the report of the Director-General (IDB.9/8) and decides to refer the matter to the Programme and Budget Committee at its eighth session for consideration."

29. The draft decision was adopted.

FINANCIAL SITUATION OF UNIDO (continued) (IDB.9/16; IDB.9/CRP.5 and Corr.1; IDB.9/L.11, L.12)

30. The PRESIDENT drew the Board's attention to two draft decisions on item 12: draft decision IDB.9/L.12 on the financial situation of UNIDO as a whole, and draft decision IDB.9/L.11 on application of the methodology for the treatment of arrears.

31. Draft decision IDB.9/L.12 was adopted.

32. Draft decision IDB.9/L.11 was adopted.

CONDUCT OF BUSINESS AND RATIONALIZATION OF PROCEEDINGS (continued) (IDB.9/13; IDB.9/CRP.2; IDB.9/L.10)

33. The PRESIDENT drew the Board's attention to draft decision IDB.9/L.10.

34. The draft decision was adopted.

ELECTRONIC DATA-PROCESSING PROGRAMME (continued) (IDB.9/12 and Add.1; PBC.8/15)

35. The PRESIDENT said that no draft decision had been proposed under agenda item 14. He declared the consideration of that item concluded.

VENUE OF THE FIFTH SESSION OF THE GENERAL CONFERENCE (continued) (IDB.9/4; IDB.9/L.13)

36. The PRESIDENT drew the Board's attention to draft decision IDB.9/L.13.

37. The draft decision was adopted.

38. Mr. PLUG (Netherlands), supported by Mr. CLARK (United Kingdom) and Mr. SCHAAD (Germany), welcomed the generous offer made by the Government of Cameroon to act as host to the fifth session of the General Conference, but said that as a matter of general principle he was not in favour of meetings of governing bodies being held away from Headquarters and hoped that the session in Yaoundé, to which he looked forward, would not set a precedent.

39. Mr. ABOGO-NKONO (Cameroon) expressed the thanks of his Government and of the entire African continent to the members of the Board who had by consensus adopted the decision that the fifth session of the General Conference should be held in Yaoundé. He said that he understood the reservations of general principle and gave an assurance that the Government and people of Cameroon would do everything in their power to ensure that the session was a success.

STRUCTURE OF WORLD INDUSTRIALIZATION FROM THE LONG-TERM PERSPECTIVE (continued) (IDB.9/5)

40. The PRESIDENT said that no draft decision had been proposed under agenda item 16.

41. Mrs. CONSTANTINO (Observer for the Philippines) expressed her regret that on a substantive item on which the Organization had been specifically asked to take action by the General Assembly the Board had failed to reach a decision. That failure reflected a lack of coordination of delegations' positions on the same item in New York and Vienna. It also suggested that the Board was less interested in dealing with substantive items than in discussing procedural matters. She hoped that at future sessions the Board would devote more time to the issue of industrial development cooperation and the diversification and modernization of productive activities in developing countries, which the

informal working group had agreed should be included in the agenda.

42. Mr. IOFIGH (Islamic Republic of Iran) fully endorsed the view expressed by the previous speaker and recommended that the Board should consider the item at its tenth session.

43. Mr. ANGUIANO (Mexico) said that the General Assembly's recommendation had been that the Board, at its present session, should consider the proposal for a study and reach a conclusion. The conclusion that had been reached was that no decision should be taken at the present moment.

44. Mr. BAKSHI (Pakistan) regretted that no final decision had been taken during the session and hoped that a positive decision would eventually be taken by the Board at a later session.

PROVISIONAL AGENDA AND DATE OF THE TENTH SESSION (IDB.9/L.14)

45. The PRESIDENT reminded the Board that it had already been decided that its tenth session would be held from 2 to 5 November 1992. As far as the provisional agenda was concerned, he was submitting to the Board for consideration the draft decision contained in document IDB.9/L.14.

46. The draft decision was adopted.

ADOPTION OF THE REPORT OF THE NINTH SESSION (IDB.9/L.3)

47. The PRESIDENT noted that the agenda item referred to on the cover page of document IDB.9/L.3 should be corrected to read "agenda item 20" instead of "agenda item 19".

48. Mr. DAMANPAK JAMI (Islamic Republic of Iran), Rapporteur, said that the report adopted the same format as reports of previous sessions of the Board. It would contain extensive references to the summary records of the session, which also formed an integral part of the report. Of necessity, the report still contained many blanks, and he sought the authorization of the Board to entrust him with finalizing it after the closure of the session, in close consultation with his "Friends".

49. Ms. DJURICKOVIC-TUVIC (Observer for Yugoslavia), referring to paragraph 12 of document IDB.9/L.3, drew attention to the way in which the President had referred to her delegation when giving it the floor at the 1st plenary meeting of the session, as reported in paragraph 51 of document IDB.9/SR.1. The delegation to which the President belonged had had the opportunity to express its view on the participation of her delegation in the session and had done so, along with some other delegations, in the statement delivered by the observer for Australia. She wished to remind him that Yugoslavia was a founding Member of the United Nations and a Member of UNIDO with all its rights and obligations.

50. Ms. BECKER (United States of America) reaffirmed that her Government fully associated itself with the statements made at the 1st plenary meeting by the observer for Portugal on behalf of the States members of the European Community and by the observer for Australia.

51. Mr. WOTAVA (Austria), noting that his delegation would not have returned to the matter if the observer occupying the place of the former Member State Yugoslavia had not done so, said that the Federal Republic of Yugoslavia was not the continuation of the Federal Socialist Republic of Yugoslavia and that the presence of an observer from the former Yugoslavia was not to be taken as a precedent for any subsequent decision concerning the representation of Yugoslavia.

52. The draft report of the Industrial Development Board on the work of its ninth session was adopted on the understanding that the Rapporteur would be responsible for finalizing the report.

CLOSURE OF THE NINTH SESSION

53. Mr. SIAZON (Director-General) said he hoped that the decisions taken during the session would set UNIDO on the right track, enabling it to seize new opportunities. In paying tribute to those who had contributed to the deliberations of the Board, he expressed the Organization's particular gratitude to those countries which had heeded its plea and paid their assessed contributions. Since the beginning of the month, 13 Member States had paid $10.9 million. However, funds outstanding remained at an unacceptably high level - $87.9 million - and it was his hope that other Member States would act swiftly and help to reduce that figure still further.

54. The PRESIDENT said that discussions during the session had been dominated by a growing consensus concerning UNIDO's financial crisis. It should be possible to solve the problem of arrears of contributions, especially if those Member States with very large arrears cleared them. He appealed to all Member States to meet their financial obligations in full and on time.

55. Following the usual exchange of courtesies, he declared closed the ninth session of the Board.

The meeting rose at 4.45 p.m.